

Memorandum

To: Clients and Other Interested Taxpayers
From: O'Keefe Lyons & Hynes, LLC
Date: **May 22, 2020**
Re: **Penalty date deferred to October 1, 2020**

Yesterday, the Cook County Board of Commissioners enacted legislation to defer the date on which penalties for late property tax payments will commence.

The second installment 2019 tax bills will state that the due date is August 3, 2020. Ordinarily, any delinquent payment would accrue interest at the rate of 1.5% per month commencing immediately. Under the legislation enacted yesterday, interest will not begin to accrue until after October 1, 2020. The relevant language of the ordinance is below.

While the second installment for the 2019 tax year remains due on August 3, 2020, in accordance with 35 ILCS 200/21-40(C)(1)(A) and Section 21-40(C)(1)(B), the Cook County Board of Commissioners declares that real property owners in Cook County are adversely impacted due to the COVID-19 pandemic and stay-at-home orders issued by the State. Due to such adverse impact on Cook County real property owners, no interest penalties for any late payment of the August 3, 2020 property tax installment will accrue until after October 1, 2020, and **payments made on or before October 1, 2020 in regard to the second installment will be considered as filed and paid timely by the Cook County Collector.**

One of the reasons Cook County officials did not simply defer the due date is that local governments continue to need revenue to operate schools, hospitals, police and fire departments, etc.. They hope that many citizens will go ahead and pay their second installment tax bills by the August 3rd due date. To cover shortfalls, local governments will have to borrow funds. This will only increase their need for revenue in the future. As is the case with all the relief being offered by various governments at this time, taxpayers will have to pay for it in the future.